

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 92-208-E - ORDER NO. 93-147 ✓
FEBRUARY 17, 1993

IN RE: Duke Power Company - Integrated) ORDER
Resource Plan (IRP).) APPROVING
) REQUEST

This matter comes before the Public Service Commission of South Carolina (the Commission) on the November 25, 1992 request of Duke Power Company (Duke or the Company) for approval of a revised Rider LC, Residential Load Control, which reflects the closing of Water Heating Load Control (WHLC) to new customers or new structures.

Duke's Integrated Resource Planning (IRP) analysis indicates that the value of water heating load control is significantly less than the monthly credit being paid. There are no changes proposed relating to air conditioning control which the analysis shows is still cost-effective.

Under the Duke proposal, customers currently receiving a water heating load control credit would continue to receive the credit as long as they remain at the same location. Under Duke's proposal, credits for such customers would continue until Duke's next general rate case, at which time the Company plans to request that water heating load control be cancelled for all residential

customers.

Duke is in the process of changing from PLC load control equipment to radio control equipment, partly due to the unsatisfactory reliability of some PLC devices. Radio load control devices are currently being used for new air conditioning load control devices and as replacements for some PLC devices that have failed. Duke proposes that until such time as water heating load control is completely cancelled, the Company will not replace PLC load control devices for water heating with radio control devices on existing customers. Studies which incorporated the costs associated with replacing failed PLC devices for water heating, coupled with the IRP results, indicate that failed device replacement is not a cost-effective measure for Duke to pursue. Duke proposes that when equipment fails, the Company plans to remove the failed equipment, analyze the service history of those customers, and credit the difference, if any, of the initial \$35.00 customer installation charge and the cumulative monthly credits received by such customers to date for participation in the WHLC program. The purpose of this proposal is to ensure that the customers with failed equipment receive benefits to offset the customers' cost of installation. If the device for air conditioning fails, it will be replaced and the air conditioning credits will not be affected.

The Commission has considered the revised Rider LC, Residential Load Control and concludes that it should be approved as filed.

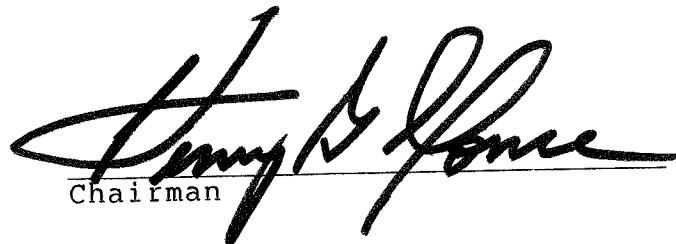
IT IS THEREFORE ORDERED THAT:

1. The revised Rider LC, Residential Load Control as submitted by Duke Power Company is hereby approved as filed and ten (10) copies shall be filed with this Commission within fourteen (14) days of the date of this Order.

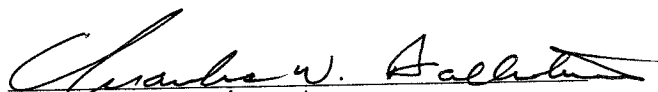
2. Duke shall notify all customers currently on this Rider of the provisions herein approved within 60 days of the date of this Order.

3. That this Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:


Chairman

ATTEST:


Executive Director

(SEAL)